

VZCZCXYZ0001
OO RUEHWEB

DE RUEHSO #0661 3461830
ZNR UUUUU ZZH
O 111830Z DEC 08
FM AMCONSUL SAO PAULO
TO RUEHC/SECSTATE WASHDC IMMEDIATE 8773
INFO RHEHNSC/NATIONAL SECURITY COUNCIL WASHDC IMMEDIATE
RUEHBR/AMEMBASSY BRASILIA PRIORITY 9924
RUEHRI/AMCONSUL RIO DE JANEIRO PRIORITY 8943
RUCPDOG/USDOC WASHDC 3226

UNCLAS SAO PAULO 000661

SIPDIS

STATE INR/R/MR; IIP/R/MR; WHA/PD

DEPT PASS USTR

USDOC 4322/MAC/OLAC/JAFEE
E.O. 12958: N/A

TAGS: [KMDR](#) [OPRC](#) [OIIP](#) [ETRD](#) [XM](#) [XR](#) [BR](#)

SUBJECT:Global Economy- Brics and Anti-Crisis Arsenal - Sao Paulo
Media Reaction - December 11, 2008

Title - The BRICS now start to decelerate strongly

Editorial in economic newspaper Valor Economico (12-11) says:
"...The development of the financial crisis showed the limits of theories that pointed out to an economic global schizophrenia, with the countries that form half of the world's GDP plunged in recession and the emerging countries, the other half, escaping with health from the contagion. The BRICS are certainly in better form than the developed countries to face a deceleration, but left behind their best memorable performances. If the cause for the joint deceleration of the emerging countries is common, the differences on the policies adopted to face the peculiar difficulties will dictate the greater of lesser degree of adaptation to one of the worst crises in almost a century."

Title - Anti-crisis arsenal

Editorial in liberal Folha de S. Paulo (12-11) comments: "...In the sequence of solutions that were proposed during this collapse [the economic crisis], now is the promise of President-elect Barak Obama, of a gigantic package of public expenditures in infra-structure. It is not enough to avoid a run on banks, or assure conditions for the circulation of credit. One can conclude that in the U.S. the government needs to realize, itself, that it needs to make the expenditures that consumers and companies refuse to make. In a few months, a whole arsenal of measures painfully learnt during the years of the 1929 crisis was put into practice. More it is not yet known."
White